

FISCAL YEAR 2016 TAX CLASSIFICATION HEARING

November 24, 2015



Fiscal Year 2016 Tax Classification

November 24, 2015

Tax Rates and the Commercial Shift

The first step in setting the tax rate is to determine the tax levy or that amount of money that is to be raised by real and personal property taxation.

FY 15 levy	\$	86,715,297	includes debt service
start FY 15 levy limit	\$	86,488,677	
+ 2.50%	\$	2,162,217	
+ New Growth	\$	2,223,012	
= FY 16 levy limit	\$	90,873,906	
+ Debt Service	\$	176,600	
- under levy limit	\$	(11,341.36)	caused by rounding a 4.99% increase over Fiscal 2015
= FY 16 levy	\$	91,039,164.64	

The second step in setting the tax rate is to determine what percentage share of the tax levy each class of property will bear. For Watertown, there are essentially two property types or classes that collectively raise the levy:

Residential
Commercial/Industrial & Personal Property (CIP)

Very simply stated, the tax rate is determined by dividing the total amount of taxes (levy) to be raised by the total taxable valuation of all real and personal property as determined by the Assessors.

For example: For Fiscal Year 2016 the Watertown tax levy of \$91,039,164.64 divided by the total value of all real and personal property of \$6,272,536,699 yields a tax rate of **\$14.51** per thousand dollars of valuation.

This calculation results in what is known as the flat or single tax rate. Massachusetts Law permits cities and towns to classify property according to use or property type, and to establish separate tax rates for the different classes. Historically, like many cities and towns, Watertown has chosen to split or “shift” the flat rate into two rates; a residential rate and a commercial (CIP) rate. The shift in the tax rates was originally intended to help alleviate rapidly rising residential tax rates by “shifting” more of the tax burden onto the commercial (CIP) class.

CALCULATING THE LEVY

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FY 15 levy	\$86,715,297	includes debt service
start FY 15 levy limit	\$86,488,677	
- Adjusted Growth	\$	-
+ 2.50%	\$2,162,217	
+ New Growth	\$2,223,012	
= FY 16 levy limit	\$90,873,906	
+ Debt Service	\$176,600	
= FY 16 levy	\$91,050,506	
FY16 levy by class	\$91,039,164.64	a 4.99% increase
- under levy limit	(\$11,341.36)	caused by rounding

TAX RATES

page 1

Total Tax Levy	\div	\$ 91,039,164.64						
Total Assessed value	$=$	\$ 6,272,536,699						
Flat tax rate of	$=$	14.51						
Tax shift of 175%	$=$	<table><tr><td>\$</td><td>25.40</td><td>CIP</td></tr><tr><td>\$</td><td>13.68</td><td>RES</td></tr></table>	\$	25.40	CIP	\$	13.68	RES
\$	25.40	CIP						
\$	13.68	RES						

Originally the law permitted the flat or single rate to be shifted by up to 150%. So the flat tax rate of \$14.51 per thousand could be as high as \$21.76 for the CIP class resulting in a lower tax rate for the residential class. Later in the 1980's the legislature amended the law to allow for a shift of up to 175% and more recently in Fiscal Year 2004 the shift ceiling was placed at 200% with a sunset clause that expired in Fiscal Year 2009.

Over a long period of time, residential property values have risen much more rapidly than commercial property values and without these shifts, residential property owners would today be paying considerably more in real estate taxes than they are today in towns like Watertown that have a split tax rate.

Note: Certain suburban and rural towns have a third split in the tax rate for "open space" which permits a lower tax rate for vacant parcels (of which Watertown has very few) to help alleviate development pressure and preserve farmland and woodlands.

The Watertown experience

Chart A on the following page shows the history of residential and commercial tax rates for the last eighteen fiscal years and the corresponding shifts that were voted in those years.

During the late 1990's, the commercial shift continued to increase until it reached the 175% ceiling in Fiscal Year 2002. Without these shifts, the average residential tax bill would have seen much bigger increases. Soon after the ceiling was hit, you can see that residential tax bills suddenly jumped up because shifting the commercial rate up was no longer an option.

Over the past year, residential values have begun to appreciate with revaluation increases occurring in most of our residential uses town wide. The primary assessment increases have occurred in residential apartment buildings on Pleasant Street and Waltham Street. The town wide residential class appreciated from calendar year 2014 into 2015, as a result of the progress associated with the ongoing apartment developments. This appreciation within the residential apartment class (Use 112: 9 units or greater) will continue to grow with the completion of Arsenal Street.

Commercial, Industrial and Personal Property (CIP) values have also appreciated town wide. The 2013 sales of several properties in the Arsenal corridor have caused Commercial and Industrial land values to increase over the last two fiscal years. Personal Property new growth is up dramatically with a complete field review for this year's revaluation. All taxable accounts were physically visited by Patriot Properties over a course of three months. Fiscal Year 2015 produced \$258,964 in Personal Property New Growth, this year's New Growth of \$721,281 is an increase of 78%. The successful renovation of the old Boston Biomedical site to Riverworks Watertown Holdings along Pleasant and Bridge Streets is just one example of how our Personal Property growth increased so dramatically in FY16.

The impact of selecting different CIP shifts is displayed on **Chart A** on the following page.

CHART A

		RESIDENTIAL				COMMERCIAL							
Fiscal Year	tax shift	tax rate	average assmnt	average tax	exempt dscnt	exempt amount	tax bill	tax bill change	tax bill	average assmnt	tax bill	tax bill change	
1998	1.60	15.13	\$ 203,640	\$ 3,081	10	\$ 308	\$ 2,773	3.36%	26.75	\$ 783,300	\$ 20,953	9.11%	
H	1.60	14.21	\$ 221,320	\$ 3,145	10	\$ 314	\$ 2,830	2.07%	25.28	\$ 880,200	\$ 22,251	6.20%	
I	2000	1.64	13.39	\$ 241,650	\$ 3,236	10	\$ 324	\$ 2,912	2.89%	24.93	\$ 1,010,500	\$ 25,192	13.21%
S	2001	1.66	11.93	\$ 281,350	\$ 3,357	10	\$ 336	\$ 3,021	3.73%	23.06	\$ 1,240,000	\$ 28,594	13.51%
T	2002	1.75	12.51	\$ 299,600	\$ 3,748	20	\$ 750	\$ 2,998	-0.74%	22.66	\$ 1,331,200	\$ 30,165	5.49%
O	2003	1.75	12.65	\$ 315,900	\$ 3,996	20	\$ 799	\$ 3,197	6.62%	22.68	\$ 1,422,600	\$ 32,265	6.96%
R	2004	1.75	10.35	\$ 426,456	\$ 4,414	20	\$ 883	\$ 3,531	10.45%	19.90	\$ 1,600,000	\$ 31,840	-1.32%
Y	2005	1.75	10.91	\$ 452,069	\$ 4,932	20	\$ 986	\$ 3,946	11.74%	20.09	\$ 1,630,000	\$ 32,747	4.18%
2006	1.75	11.17	\$ 455,372	\$ 5,087	20	\$ 1,017	\$ 4,069	3.13%	20.35	\$ 1,630,000	\$ 33,171	1.29%	
2007	1.75	10.45	\$ 499,310	\$ 5,218	20	\$ 1,044	\$ 4,174	2.58%	19.15	\$ 1,825,600	\$ 34,960	5.40%	
2008	1.75	11.39	\$ 466,647	\$ 5,315	20	\$ 1,063	\$ 4,252	1.87%	21.01	\$ 1,825,600	\$ 38,356	9.71%	
2009	1.75	12.24	\$ 443,666	\$ 5,430	20	\$ 1,086	\$ 4,344	2.17%	22.54	\$ 1,825,600	\$ 41,149	7.28%	
2010	1.75	13.31	\$ 417,310	\$ 5,554	20	\$ 1,111	\$ 4,444	2.28%	24.58	\$ 1,734,300	\$ 42,629	3.60%	
2011	1.75	13.92	\$ 407,408	\$ 5,671	20	\$ 1,134	\$ 4,537	2.10%	25.87	\$ 1,598,735	\$ 41,359	-2.98%	
2012	1.75	14.40	\$ 410,554	\$ 5,912	20	\$ 1,182	\$ 4,730	4.25%	26.64	\$ 1,564,500	\$ 41,678	0.77%	
2013	1.75	14.68	\$ 420,841	\$ 6,178	20	\$ 1,236	\$ 4,942	4.50%	27.15	\$ 1,587,907	\$ 43,112	3.44%	
2014	1.75	14.96	\$ 427,057	\$ 6,389	20	\$ 1,278	\$ 5,111	3.41%	27.96	\$ 1,435,180	\$ 40,128	-3.72%	
2015	1.75	15.03	\$ 451,638	\$ 6,788	20	\$ 1,358	\$ 5,430	6.25%	27.87	\$ 1,503,337	\$ 41,898	4.41%	
2016	1.70	13.87	\$ 517,701	\$ 7,181	20	\$ 1,436	\$ 5,744	5.78%	24.68	\$ 1,726,233	\$ 42,603	1.68%	
2016	1.75	14.18	\$ 517,701	\$ 7,341	25	\$ 1,835	\$ 5,506	1.39%	25.40	\$ 1,726,233	\$ 43,846	4.65% pg 10	
2016	1.75	13.68	\$ 517,701	\$ 7,082	20	\$ 1,416	\$ 5,666	4.33%	25.40	\$ 1,726,233	\$ 43,846	4.65% pg 9	

The Residential Exemption

Thirteen municipalities in Massachusetts have adopted the Residential Exemption. This provision in the law allows for a shift of the tax burden within the residential class by granting a discount to owner occupied properties. There are no age or income requirements. The only requirement is that the property owner occupy the property on January 1 of the year preceding the benefit year. So to qualify for the residential exemption for Fiscal Year 2016, the property must have been owned and occupied by the applicant on or before January 1 of 2015.

The Residential Exemption discount is voted on each year by the Town Council and it can range anywhere between 1% to 30% of the average residential property assessment. Like the commercial shift, there is no loss of tax revenue for the town, but instead the tax burden is shifted from one group of taxpayers to another. Qualifying residential properties receive a tax decrease while non-qualifying residential taxpayers receive a tax increase.

For example: If the total value of all residential property is 750 million with a tax rate of \$10. per thousand, the residential class raises 7.5 million dollars in property tax revenue. Now if the average residential property is assessed for \$100,000 and receives a 20% discount, the new taxable assessment becomes \$80,000. This discount when applied to many qualifying properties has the effect of lowering the total assessed value of the residential property class. The same amount of tax revenue must still be collected, so now a total residential property value of 675 million must raise 7.5 million dollars and the result is an adjusted residential tax rate of \$11.11 per thousand.

So the qualifying property assessed for \$100,000 would be discounted to \$80,000 and pay \$888.88 in taxes (a savings of \$111.11) while a non qualifying property assessed for \$100,000 will pay \$1,111 (an increase of \$111.11).

The chart on the previous page (**Chart A**) shows the history of the Watertown residential exemption discount over the last eighteen years. As the average residential assessment increased over time, the exemption amount also increased, giving a greater benefit to the owner occupied qualified properties and exacting higher taxes from non-qualifying properties. With recent declines in residential values, the dollar benefit has continued to increase because the residential tax rate has increased.

For Fiscal Year 2016 the Assessors are projecting 6,100 qualifying properties. Because the total tax collected from the residential class must remain the same, this has the effect of driving up the residential tax rate from a projected \$11.98 per thousand with no exemption to \$13.68 utilizing the historic 20% exemption discount and a CIP shift of 175% (**Chart B on page 5**).

Fiscal Year 2016 Residential Exemption
 (For Owner Occupied properties)

SHIFT = 1.75

Projected Tax Rates

CHART B

page 5

		\$ 11.98	\$ 12.37	\$ 12.78	\$ 13.21	\$ 13.68	\$ 14.18	\$ 14.73		
	Discount %	0% Exemption value credit tax credit	5% Exemption 0 \$ 320	10% Exemption \$ 51,770 \$ 662	15% Exemption \$ 77,655 \$ 1,026	20% Exemption \$ 103,540 \$ 1,416	25% Exemption \$ 129,425 \$ 1,835	30% Exemption \$ 155,310 \$ 2,288	non qualifying property at 20% factor	non qualifying property at 25% factor
	Assessment	taxes	taxes	taxes	taxes	taxes	taxes	taxes	taxes	taxes
	\$ 100,000	\$ 1,198	\$ 917	\$ 616	\$ 295	\$ (48)	\$ -	\$ -	\$ 1,368	\$ 1,418
	\$ 150,000	\$ 1,797	\$ 1,535	\$ 1,255	\$ 956	\$ 636	\$ 292	\$ (78)	\$ 2,052	\$ 2,127
low	\$ 200,000	\$ 2,396	\$ 2,154	\$ 1,894	\$ 1,616	\$ 1,320	\$ 1,001	\$ 658	\$ 2,736	\$ 2,836
	\$ 250,000	\$ 2,995	\$ 2,772	\$ 2,533	\$ 2,277	\$ 2,004	\$ 1,710	\$ 1,395	\$ 3,420	\$ 3,545
	\$ 300,000	\$ 3,594	\$ 3,391	\$ 3,172	\$ 2,937	\$ 2,688	\$ 2,419	\$ 2,131	\$ 4,104	\$ 4,254
	\$ 350,000	\$ 4,193	\$ 4,009	\$ 3,811	\$ 3,598	\$ 3,372	\$ 3,128	\$ 2,868	\$ 4,788	\$ 4,963
	\$ 400,000	\$ 4,792	\$ 4,628	\$ 4,450	\$ 4,258	\$ 4,056	\$ 3,837	\$ 3,604	\$ 5,472	\$ 5,672
	\$ 450,000	\$ 5,391	\$ 5,246	\$ 5,089	\$ 4,919	\$ 4,740	\$ 4,546	\$ 4,341	\$ 6,156	\$ 6,381
	\$ 500,000	\$ 5,990	\$ 5,865	\$ 5,728	\$ 5,579	\$ 5,424	\$ 5,255	\$ 5,077	\$ 6,840	\$ 7,090
avg	\$ 517,701	\$ 6,202	\$ 6,084	\$ 5,955	\$ 5,813	\$ 5,666	\$ 5,506	\$ 5,338	\$ 7,082	\$ 7,341
	\$ 550,000	\$ 6,589	\$ 6,483	\$ 6,367	\$ 6,240	\$ 6,108	\$ 5,964	\$ 5,814	\$ 7,524	\$ 7,799
	\$ 600,000	\$ 7,188	\$ 7,102	\$ 7,006	\$ 6,900	\$ 6,792	\$ 6,673	\$ 6,550	\$ 8,208	\$ 8,508
	\$ 650,000	\$ 7,787	\$ 7,720	\$ 7,645	\$ 7,561	\$ 7,476	\$ 7,382	\$ 7,287	\$ 8,892	\$ 9,217
	\$ 700,000	\$ 8,386	\$ 8,339	\$ 8,284	\$ 8,221	\$ 8,160	\$ 8,091	\$ 8,023	\$ 9,576	\$ 9,926
high	\$ 750,000	\$ 8,985	\$ 8,957	\$ 8,923	\$ 8,882	\$ 8,844	\$ 8,800	\$ 8,760	\$ 10,260	\$ 10,635
	\$ 800,000	\$ 9,584	\$ 9,576	\$ 9,562	\$ 9,542	\$ 9,528	\$ 9,509	\$ 9,496	\$ 10,944	\$ 11,344
	\$ 850,000	\$ 10,183	\$ 10,194	\$ 10,201	\$ 10,203	\$ 10,212	\$ 10,218	\$ 10,233	\$ 11,628	\$ 12,053
	\$ 900,000	\$ 10,782	\$ 10,813	\$ 10,840	\$ 10,863	\$ 10,896	\$ 10,927	\$ 10,969	\$ 12,312	\$ 12,762
	\$ 1,000,000	\$ 11,980	\$ 12,050	\$ 12,118	\$ 12,184	\$ 12,264	\$ 12,345	\$ 12,442	\$ 13,680	\$ 14,180

- The residential exemption amount (value credit) is based on the average residential assessment (yellow) multiplied by the chosen discount factor which can range between 1 and 30%
- This value credit is then subtracted from the assessed value of every qualifying property. The reduced assessment is then multiplied by the tax rate that results from the selected discount factor.
- Essentially, the residential exemption is funded by the non-owner occupied residential properties which are taxed at the full assessed value with no value credit.
- As the property assessment increases, the tax savings from the exemption diminishes to a point where high value properties actually pay more with the residential exemption in place than without it (pink shaded area).

Who is receiving the benefit of the Residential Exemption?

type	total #	exempt	percent
single fam.	2903	2417	83.3%
condos	3426	2069	60.4%
2 family	2791	1448	51.9%
3 family	383	129	33.7%
apts 4-8 uni	132	10	7.6%
other	159	27	17.0%
totals	9830	6100	62.1%

Community Comparison

When considering the impact of tax rates and shifts, it is useful to look beyond our borders to discover how nearby communities are dealing with similar issues. **Chart C** on the following page provides a view of the tax structure of other nearby cities and towns. Some of our neighbors have split tax rates while others do not. Generally, the smaller the commercial/industrial and personal property (CIP) share is of the total assessed value, the less benefit there is to shifting the tax rate. Arlington and Belmont both have very low CIP shares while Boston and Cambridge have high CIP shares. Boston and Cambridge also offer a larger residential exemption percentage which coupled with large commercial tax bases, serves to push down the average residential tax bill. While Newton does have a commercial shift, they have chosen not to utilize the residential exemption and consequently the average residential tax bill is very high. Waltham, which is most similar to Watertown in its socio-economic structure, has a much larger commercial tax base which results in a lower residential tax rate and like Watertown they also have utilized a 20% residential exemption discount in the past.

Taxpayers often cite that other nearby cities and towns have lower tax rates but they fail to realize that the average residential assessments in those municipalities may be considerably higher. Just looking at the tax rate in Newton for example, a taxpayer might conclude that taxes are lower there than in Watertown. But with a much higher average assessed value, taxes in Newton are in fact much higher. While it is true that more affluent cities and towns have many more high end properties which tend to drag up the average, it is also safe to say that the typical home in Watertown would be considerably more valuable were it placed in Newton or Belmont and conversely, somewhat less valuable if placed in Waltham.

Chart C

COMMUNITY COMPARISON For Fiscal Year 2015

FISCAL YEAR 2015

MUNICIPALITY	RES TAX RATE	COMM TAX RATE	share of value	2010 SHIFT %	2011 SHIFT %	2012 SHIFT %	2013 SHIFT %	2014 SHIFT %	2015 SHIFT %	AVE RES VALUE	RES EXEMPT	RES XEMP SAVINGS	AVE RES TAX	
ARLINGTON	\$13.55	\$13.55	94.18	5.82	1.00	1.00	1.00	1.00	1.00	\$ 507,574	no	\$-	\$ 6,878	
BELMONT	\$12.90	\$12.90	94.36	5.64	1.00	1.00	1.00	1.00	1.00	\$ 693,393	no	\$-	\$ 8,944	
BOSTON	\$12.11	\$29.52	65.33	34.67	1.75	1.75	1.75	1.75	1.75	\$ 517,349	30%	\$ 1,880	\$ 4,386	
CAMBRIDGE	\$7.82	\$19.29	61.58	38.42	1.694	1.693	1.697	1.710	1.689	\$ 1,700	\$ 798,332	30%	\$ 1,807	\$ 4,370
NEWTON	\$11.61	\$22.39	88.22	11.78	1.75	1.75	1.71	1.74	1.74	\$ 762,236	no	\$-	\$ 8,850	
WALTHAM	\$13.13	\$31.79	65.75	33.64	1.75	1.75	1.75	1.75	1.75	\$ 399,815	20%	\$ 1,050	\$ 4,200	
WATERTOWN	\$15.03	\$27.87	81.25	18.75	1.75	1.75	1.75	1.75	1.75	\$ 451,638	20%	\$ 1,358	\$ 5,430	

TOWN OF WATERTOWN

**EXAMPLES OF RESIDENTIAL TAX INCREASES FOR FY 2016
WITH THE AVERAGE CHANGE IN ASSESSMENT VALUE BY USE FROM FY 2015,
OWNER OCCUPIED AND BASED UPON A 20% RESIDENTIAL EXEMPTION**

ON-OWNER OCCUPIED

AN INCREASE WOULD BE DUE TO AN IMPROVEMENT IN YOUR PROPERTY OR A REVALUATION AND INVESTMENT WITHIN YOUR SOCIETY.

IMPROVEMENT IN YOUR PROPERTY WHICH IS SPECIFIC TO A PERMIT ISSUED WITH THE BUILDING INSPECTOR AND CONNECTED BY THE ASSESSORS OFFICE

REVALUATION ADJUSTMENT WOULD BE DUE TO MARKET APPRECIATION WITHIN YOUR SPECIFIC NEIGHBORHOOD

4463.000 IS THE MEDIUM RESIDENTIAL VALUE FOR USES 101-102-104 AND 105 FOR FY 16

474,048 IS THE AVERAGE RESIDENTIAL VALUE FOR USES 101, 102, 104, AND 105 FOR FY16

TOWN OF WATERTOWN

**EXAMPLES OF RESIDENTIAL TAX INCREASES FOR FY 2016
WITH THE AVERAGE CHANGE IN ASSESSMENT VALUE BY USE FROM FY 2015,
OWNER OCCUPIED AND BASED UPON A 25% RESIDENTIAL EXEMPTION**

101 SINGLE FAMILY HOME		102 CONDOMINIUM		104 TWO FAMILY HOME		105 THREE FAMILY HOME		AVERAGE OF THE USES				
2015	2016	%	2015	2016	%	2015	2016	%	2015	2016	%	
ASSESSMENT	\$ 466,705	\$ 496,988	6.49%	\$ 317,663	\$ 338,299	6.49%	\$ 502,697	\$ 594,816	18.32%	\$ 540,099	\$ 660,706	22.33%
RES EXEMP	\$ 90,328	\$ 129,425		\$ 90,328	\$ 129,425		\$ 90,328	\$ 129,425		\$ 90,328	\$ 129,425	
MINUS EXEMP	\$ 376,377	\$ 367,563	-2.34%	\$ 227,340	\$ 208,874	-8.12%	\$ 412,369	\$ 465,391	12.86%	\$ 449,771	\$ 531,281	18.12%
RATE	15.03	14.18	-5.66%	15.03	14.18	-5.66%	15.03	14.18	-5.66%	15.03	14.18	-5.66%
TAXES	\$ 5,656.95	\$ 5,212.04	-7.86%	\$ 3,416.92	\$ 2,961.83	-13.32%	\$ 6,197.91	\$ 6,599.24	6.48%	\$ 7,760.06	\$ 7,533.56	11.44%
TAX INCREASE IN DOLLARS	\$ (444.90)		\$ (455.09)		\$ 401.34		\$ 773.51		\$ (165.97)			
NON-OWNER OCCUPIED												
TAXES	\$ 7,014.58	\$ 7,047.29		\$ 4,774.55	\$ 4,797.08		\$ 7,555.54	\$ 8,434.49		\$ 8,117.69	\$ 9,368.81	
TAX INCREASE	\$ 32.71		0.47%		\$ 22.53		0.47%		\$ 11,63%		\$ 1,251.12	

THIS VISUAL REPRESENTS 9.539 OR 100% OF OUR RESIDENTIAL TAX PAYERS WHO LIVE IN SINGLE FAMILY, TWO FAMILY, THREE FAMILY, OR CONDOMINIUM STYLE HOMES

AN INCREASE WOULD BE DUE TO AN IMPROVEMENT IN YOUR PROPERTY OR A REVALUATION ADJUSTMENT WITHIN YOUR SPECIFIC NEIGHBORHOOD

AN IMPROVEMENT IN YOUR PROPERTY WOULD BE SPECIFIC TO A PERMIT FILED WITH THE BUILDING INSPECTOR AND COLLECTED BY THE ASSESSORS OFFICE

A REVALUATION ADJUSTMENT WOULD BE DUE TO MARKET APPRECIATION WITHIN YOUR SPECIFIC NEIGHBORHOOD

\$463,000 IS THE MEDIAN RESIDENTIAL VALUE FOR USES 101, 102, 104, AND 105 FOR FY 16

\$474,048 IS THE AVERAGE RESIDENTIAL VALUE FOR USES 101, 102, 104, AND 105 FOR FY 16

VALUE CONSTANT EXAMPLES: 10% OF THE RESIDENTIAL 101, 102, 104, AND 105.
966 OR 10% OF OUR RESIDENTIAL TAX PAYERS WITHIN THESE FOUR STYLES EXPERIENCED NO INCREASE IN VALUE FOR FY 16 (see chart below)

	2015	2016	%	2015	2016	%	2015	2016	%	
ASSESSMENT	\$ 300,000	\$ 300,000	0.00%	\$ 517,701	\$ 517,701	0.00%	\$ 750,000	\$ 750,000	0.00%	
RES EXEMP	\$ 90,328	\$ 129,425		\$ 90,328	\$ 129,425		\$ 90,328	\$ 129,425		
MINUS EXEMP	\$ 209,672	\$ 170,575	-18.65%	\$ 427,373	\$ 388,276	-9.15%	\$ 659,672	\$ 620,575	-5.93%	
RATE	15.03	14.18	-5.66%	\$ 15.03	\$ 14.18	-5.66%	\$ 15.03	\$ 14.18	-5.66%	
TAXES	\$ 3,151.37	\$ 2,418.75	-23.25%	\$ 6,423.42	\$ 5,505.75	-14.29%	\$ 9,914.87	\$ 8,799.75	-11.25%	
TAX INCREASE	\$ (732.62)		\$ (917.66)		\$ (1,115.12)					

ESTIMATED FISCAL YEAR 2016 RESIDENTIAL TAX INCREASE (at a CIP shift of 1.75% and a residential exemption 20%)

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	AVERAGE OF THE USES OR 97% OF THE RESIDENTIAL ASSESSMENT
FISCAL YEAR 2015 AVERAGE TAX BILL *	\$ 5,430
FISCAL YEAR 2016 AVERAGE TAX BILL (EST) **	\$ 5,666
ESTIMATED AVERAGE DOLLAR INCREASE	\$ 236
ESTIMATED AVERAGE PERCENTAGE INCREASE	4.35%
	0.32%

* Based on a FY2015 average residential assessment of \$451,638 and receiving an estimated residential exemption of \$90,328 in value (20%) and \$1,357.63 in taxes

** Based on a FY2016 average residential assessment of \$517,701 and receiving an estimated residential exemption of \$103,540 in value (20%) and \$1,416.43 in taxes

FOR NON OWNER OCCUPIED PROPERTY

	AVERAGE OF THE USES OR 97% OF THE COMMERCIAL ASSESSMENT
FISCAL YEAR 2015 AVERAGE TAX BILL	\$ 6,788
FISCAL YEAR 2016 AVERAGE TAX BILL	\$ 7,077
ESTIMATED AVERAGE DOLLAR INCREASE	\$ 289
ESTIMATED AVERAGE PERCENTAGE INCREASE	4.26%

ESTIMATED FISCAL YEAR 2016 COMMERCIAL TAX INCREASE (at a CIP shift of 1.75%)

	AVERAGE OF THE USES OR 97% OF THE COMMERCIAL ASSESSMENT
FISCAL YEAR 2015 AVERAGE TAX BILL *	\$ 41,898
FISCAL YEAR 2016 AVERAGE TAX BILL (EST) **	\$ 43,846
ESTIMATED AVERAGE DOLLAR INCREASE	\$ 1,948
ESTIMATED AVERAGE PERCENTAGE INCREASE	4.65%

* based on an average assessment in fiscal 2015 of \$1,503,337
** based on an average assessment in fiscal 2016 of \$1,726,233

ESTIMATED FISCAL YEAR 2016 RESIDENTIAL TAX INCREASE (at a CIP shift of 1.75% and a residential exemption 25%)

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AVERAGE OF THE USES OR 97% OF THE RESIDENTIAL CLASS		
FISCAL YEAR 2015 AVERAGE TAX BILL *	\$ 5,430	\$ 5,053 15.03 tax rate
FISCAL YEAR 2016 AVERAGE TAX BILL (EST) **	\$ 5,506	\$ 4,901 14.18 tax rate
ESTIMATED AVERAGE DOLLAR INCREASE	\$ 76	\$ (152)
ESTIMATED AVERAGE PERCENTAGE INCREASE	1.40%	-3.01%

* Based on a FY2015 average residential assessment of \$451,638 and receiving an estimated residential exemption of \$90,328 in value (20%) and \$1,357.63 in taxes

** Based on a FY2016 average residential assessment of \$517,701 and receiving an estimated residential exemption of \$129,425 in value (25%) and \$1,835.25 in taxes

FOR NON OWNER OCCUPIED PROPERTY

FISCAL YEAR 2015 AVERAGE TAX BILL	\$ 6,788
FISCAL YEAR 2016 AVERAGE TAX BILL	\$ 7,341
ESTIMATED AVERAGE DOLLAR INCREASE	\$ 553
ESTIMATED AVERAGE PERCENTAGE INCREASE	8.15%
<hr/> ESTIMATED FISCAL YEAR 2016 COMMERCIAL TAX INCREASE	

(at a CIP shift of 1.75%)

FISCAL YEAR 2015 AVERAGE TAX BILL *

\$ 41,898

27.87 tax rate

FISCAL YEAR 2016 AVERAGE TAX BILL (EST) **

\$ 43,846

25.40 tax rate

ESTIMATED AVERAGE DOLLAR INCREASE

\$ 1,948

ESTIMATED AVERAGE PERCENTAGE INCREASE

4.65%

* based on an average assessment in fiscal 2015 of \$1,503,337

** based on an average assessment in fiscal 2016 of \$1,726,233